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MEXICAN HACIENDAS—THE PEON SYSTEM.

BY PRINCE A. DE ITURBIDE.

THE Mexican hacienda or farm is the most typical institution of the New World. It is the one establishment of Caucasian America that has no prototype, reflecting, as it does, the conditions of life that followed the Conquest, and having been little affected by the social transformations that developed the American world of to-day out of the world that it was when, yet, each Caucasian inhabitant of New Spain was styled a *Conquistador* and was distinguished from the conquered Aztec as *gente de razon*—a man of reason.

The relations between conqueror and conquered became the opposite, however, of what the conquest itself had foreshadowed that they might be, for never were circumstances better calculated to develop the brutal instincts of adventurers than were those that obtained in Mexico in the first half of the sixteenth century. But, the humane influence of the clergy prevailing, laws were never more benign than the ones enacted by the race of Cortez to govern the race of Montezuma; and the code that contains them remains a monument to Christian humanity, such as in Spanish America alone marks the passage of European power over a conquered land.

As to the conquered territory, its riches were, as they now are, in its mines and its haciendas. Around the mining centers, towns sprang up that followed the fortunes of the interests out of which they grew; some of them are among our larger cities. But out of the farming interests grew the hacienda, which is the origin of our customs, the basis of our society and, until very recently, was the main spring of our politics. And it is to-day, as it has always been, the surest foundation of our wealth. We can compete with the farmers of almost every region of the earth. Our sugar-cane and

tobacco are equal to any that grow on this hemisphere; our coffee, at different expositions, has been rated higher than any of its competitors; our vanilla, cocoa and other staples are of the first quality. Every fruit known to the tropics thrives in Mexico. Our flora is proportionately rich; our forests produce every variety of the resins, barks and woods that are used in medicine and in the arts—our india-rubber forests alone are an item of incalculable wealth; and the products of the colder climates thrive on our table lands, though some of them do not attain there the same degree of perfection and abundance as in more northerly latitudes.

As a consequence of these natural advantages, and in the absence of extensive commercial or industrial enterprises, Mexican fortunes were made mostly, and practically all invested, in haciendas, the owners of which constituted, until 1860, the richest class of men in America.

The haciendas that were established in the sixteenth and seventeenth centuries served, in some measure, the same ends that were attained in Europe by the feudal castles of the Middle Ages: they not only attached populations to agricultural districts, but, in many instances, were the sole strong-holds of civilization in vast, sparsely peopled regions, where they afforded the only protection and shelter upon which travellers and pioneers could depend. These conditions obtain to-day in those remote parts of the country which, for different reasons, have not yet benefited by the enterprise that, of recent years, has begun a very active development of Mexican interests.

Hacienda houses, consequently, were built with a view, not only to the accommodation of their future inmates and to the exploitation of the property, but to resistance to armed bands against which the government could not be relied upon for protection. They were frequently built, too, on a scale of lavish extension. This is true especially of the haciendas of the religious Orders, whose means, pecuniary and otherwise, were ample, and, above all, whose purposes were more varied; for the haciendas of the clergy, besides being what other haciendas were, served as outposts in the spiritual conquest that assimilated the Aztec vassals of the Catholic Kings into the grand fabric of the Spanish Empire.

A sociological history of the hacienda in Mexico would be an interesting and extensive work, and its importance is an assurance that it will be written some day. What has been said above, how-

ever, conveys a general notion of the origin and significance of haciendas as social factors.

The house of a great hacienda is imposing in appearance, on account, usually, of its size rather than of its architectural proportions. It is generally built around a large court, and, whether of one or two stories, conveys the impression of having been erected solely with a view to durability and spaciousness. The construction is invariably of stone or sun-baked bricks, plastered and painted, and, in most cases, presents an even elevation, broken only by grated windows, a *porte cochère* and loop-holes for musketry. This structure contains the offices, apartments for the owner, for the two or three principal employees and their families and for the servants, store-rooms, stables for saddle and for carriage horses, carriage space, and an indefinite number of spare rooms, according to circumstances. Conveniently situated in relation to the main building, are the habitations of employees, the huts of the peons, some times the *posada* or inn, for the accommodation of travellers, the church (which usually is a pretentious structure), the store, where every commodity of peasant life is for sale, the vast stables for horses, mules and oxen, store-houses for the produce of the hacienda, and others for agricultural implements, the wheelwright, blacksmith and carpenter plants, the saddler's and cobbler's shops, the loom, the bakery—in sum, all the attributes of a village, which an hacienda of this class is, practically, having a population of from five to fifteen hundred inhabitants.

It must not be supposed that, since the hacienda is a singular exponent of conservatism, it is, in any sense, a factor of retrogression or of stagnation. On the contrary, the great haciendas are in line with the scientific progress of the day, and in advance of the average towns in the trades and in mechanical establishments. It is in the rules that govern its community that the hacienda is conservative—and happily so; for those rules constitute the nearest approach to a solution of the labor question that our times afford, whilst by them the racial question is eliminated from the problems of life.

I have read a good deal that is erroneous, in the writings of English-speaking travellers, concerning the peon system. It may as well be said that a peon is a day-laborer—not necessarily a field hand; but, taking the word in the latter restricted sense, the peon

system is the only one in force, on this continent, that regulates the relations between capital and labor to the satisfaction of both. It does not obtain throughout the whole of Mexico with unvaried details; what I say concerning it applies to the middle belt of Mexican States, as distinguished from the ones bordering on our northern frontier and from that portion of the country known as *Tierra Caliente*. But variations in the peon system are not material in those different sections, except in so far as the diversity of climate and of agricultural products implies a corresponding diversity in labor and in the exigencies of life. The greater or less abundance of field hands, also, affects the system in question. In fact, each of the larger haciendas has its own unwritten constitution originating in its own special circumstances as well as in national or in regional ones, and dating back, as a rule, from one to three centuries; because few of these haciendas are of recent establishment. They may have been transformed in different ways, but their foundation is older, in most cases, than the century; and their traditional continuity is ensured by peon families and others that, in each case, are identified, by birth or by marriage, with the hacienda.

The peon, with rare exceptions, is of the Indian or mixed races. He is bound by debt to the hacienda on which he works, and, regardless of color, he may rise, along the scale of promotion, to the highest employments on the place.

The indebtedness referred to in the preceding paragraph is one of the essential features of the peon system, and is contracted by peons, either directly or by voluntary inheritance. In the former case, a peon seeking employment presents himself to the Administrator—by which title the manager of an hacienda is known—and asks for an *enganche*, that is, a retainer, the amount of which, as a rule, varies between ten and thirty dollars. If the applicant be acceptable, the retainer is paid, and the peon becomes part and parcel of the establishment. If he happens to be indebted to another hacienda and, for his own reasons, is changing employers, his debt being a recommendation, larger amounts than those named will be advanced to buy the debt and allow the peon a cash margin. His contract obliges him to work for the hacienda until his debt is cancelled. On the other hand, his prerogatives are such as no other laborer in the world enjoys. In the first place, it is tacitly understood that, while the peon remains in the employ of

the hacienda, his debt will not be cancelled, but, on the contrary, that it will be increased, until, if ever, his children are pleased to assume it, or death or old age wipes it out. The debt may not be sold, without his consent, except to a new owner of the hacienda. The peon is free, however, to change creditors at will. Only a part of his earned wages may be applied, each week, to his debt. Each week, he receives rations, sufficient for his maintenance and for that of his family. Each year, he and his family receive an ample supply of clothing. Medical services are furnished them, free of expense, and the sums of money that they may require for baptisms, confirmations, marriages or burials are advanced to them, regardless of the balance that the peon's account may show against him. Haciendas, such as are described in this paper, have schools to which the peon may—and, often, must—send his children. He is furnished space, of course, and material for the construction of his hut, and is entitled to the use of a fair measure of ground, which he cultivates for his own benefit, with the hacienda's stock, implements and seed. Finally, there are two days in the year on each of which the peon receives extra wages amounting to several dollars. And when, through age or accident, the peon is no longer able to work, he becomes a charge of the hacienda.

One of these establishments, in the State of Puebla, in 1887, furnished *data* that throw light upon the points in question. The number of the hacienda's inhabitants (men, women, and children) was about sixteen hundred, and their aggregate indebtedness to the owner amounted to a sum of more than twenty-six thousand dollars, of which one peon alone owed fifteen hundred. Several of the peons were free of debt, and a few of them were the hacienda's creditors. As the women and children were not considered in the financial figures, the same showed an average indebtedness of about seventy dollars per peon.

The women are very industrious, and, though not called upon by the hacienda to do field work, never fail to help the men in tasks from which their sex does not debar them. Their names do not figure on hacienda rolls, their earnings and expenses being entered on the accounts of the men of their families. In the harvest season, for instance, it frequently happens, at the end of each day, when the amount of a peon's work is noted, that he is credited with two, three or more days' extra work that has been accomplished by the women of his family.

On the whole, a peon's treatment by his white employer and officers is fair; whilst the hacienda employee of his own race is less considerate. He is intelligent, and is gifted, to a proverb, with physical endurance. He is influenced by habits and traditions inherited from his early Christian, and earlier pagan, fathers, and his life is so judiciously planned by the system that governs it that he can scarcely make it an unhappy one.

There, then, is a numerous class of human beings who are born, not only in poverty, but in debt, and heirs, by natural law, to all the misery of the proletariat—to which they would be a prey, if the peon system were not there to solve their problem of life. As it is, from his cradle to his grave, the peon will never lack food, raiment or shelter. His wife and his children will never know the pinch of hunger. If he has the capacity to rise above his class, the hacienda will afford him the opportunity to do so. If he goes through life an insolvent debtor, still at the hacienda he will have an open credit, and, not only his needs, but, in a measure, his limited appetite for the superfluous will be satisfied. In a word, he will be above the proletariat, and that through no charity of his employer; for all that is done in his interest is his due.

The peon system affords the farmer proportionate advantages. It is less expensive than others—so much so that, in many instances, peon labor competes successfully with machinery. The prerogatives and perquisites that it secures to the field hands could not be replaced by increased wages of reasonable amounts; hence, the owner secures greater satisfaction among his laborers, by this system, than he would by others that demand larger pecuniary disbursements. Then, the laborer becomes identified with the hacienda. It is his home, and he takes a natural interest in its welfare; whilst his relations with the owner are such as to preclude the antagonism that so often redounds to the detriment of both employer and employee.

This solution of the labor question is due to the clergy of the early Mexican church, who, perhaps, did not conceive the peon system, as such, but whose humanitarian efforts in behalf of the Aztec race constituted one of the forces of which the system in question is a resultant. It perhaps presents imperfections, but improvement may be sought in keeping with its principles; for it is an excellent general formula that has stood long and varied tests, with the result that Mexican haciendas collect an indigent popu-

lation into communities that know no want, whilst they furnish the most remunerative safe investment to be found in this hemisphere.

Our commercial isolation in past years explains, better than any other cause, perhaps, the disproportion that existed between the market value of haciendas and their productive capacity; and, though the ratio thus effected is being reduced gradually to normal standards, the effect of pre-existing conditions is felt still in the market for Mexican rural property. This circumstance is due, in great measure, to the fact that foreign capital has sought, in Mexico, employments similar to those which are most lucrative in the countries from which it has been imported, foreign capitalists, as a rule, being uninformed as to our agricultural advantages.

It would be difficult to formulate these advantages in terms applicable to our lands, in general, otherwise than by saying that they are perhaps unrivalled, and certainly, unexcelled. A mountainous country in the region of a tropic necessarily presents the most varied agricultural features within limited areas of its surface. This fact is strikingly manifested in that zone of Mexican territory that lies between the Tropic of Cancer and the seventeenth degree of northern latitude, and it has an extreme expression in districts that are contiguous to the Peak of Orizaba, where, within a radius of fifteen miles, there are lands that produce very nearly every agricultural staple of North America—ranging from coffee and other tropical products to root-grass, which, among plants of known usefulness, is the one that thrives nearest to the limit of vegetation. In regions such as the one in question, relative altitude, of course, is the most important agricultural factor; but there are many other circumstances that do not prevail elsewhere and that exercise decisive influence on agricultural matters, producing, in this sense, material differences between lands of the same altitude, latitude and geological formation.

The financial feature of haciendas is subject, however, to less variation, within any one of the three climatic divisions of our territory, namely, the "Cold," the "Temperate" and the "Hot" countries; but, among haciendas of different climates, there is a difference in the profits derived from them that is greatly in favor of properties in the warmer country. The conservative rule for valuation of haciendas, in general, is that they should pay for themselves in five years, if the income derived from them be

placed, at compound interest of six per cent., during that time; or, in the concrete, that an hacienda which yields an average income of, for example, fifty thousand dollars each year, has a market value of a little more than \$280,000—to which must be added the peon debt, the cost of agricultural implements, and other amounts aggregating, in all, a capital upon which the hacienda will pay a yearly interest of fourteen or fifteen per cent. Such was, at least, the standard, until a few years ago, and I doubt that it has been materially modified. It does not convey an idea, however, of the more profitable rural investments that have been made, of late years, in Mexico, especially in plantations of coffee. It is probable that few, if any, of these properties yield, at the present time, a yearly income of less than twenty per cent. of the amount for which they could have been purchased in 1892; whilst a majority of those that were established during the "coffee boom", five or six years ago, pay now an annual interest of from forty to one hundred and fifty per cent. on the sum of their cost.

Of the haciendas of the cold climate, those devoted to the maguey (American agave) are said to be the best. They present the unique feature, at least, of their income being a daily one; whilst their specialty is but little affected by climatic irregularities. The maguey, among species of the vegetable kingdom, is second to the bamboo in varied usefulness; its staples, however, are pulque, another alcoholic beverage, known as Tequila, and a very strong though coarse fiber called istle. Henequin, also, is the fiber of a species of the maguey. The species of agave that produces pulque—which is the fermented sap of the plant—is similar in shape to those of which specimens are found in the gardens of this country; but its leaves, which are uniformly green, attain, in six or seven years, a full growth of from five to ten feet in length, and of proportionate breadth and thickness. These leaves converge to a common origin, where they form a cup into which the sap flows when the maguey has reached maturity, and from which the liquid is taken, twice each day, for a period of three months; after which, the plant dies. The sap is subjected to a process of fermentation, and in three days becomes pulque ready for the market, where it must be consumed within forty-eight hours, or be lost. So that the agricultural advantages of pulque haciendas over others are counteracted, in some measure, by commercial risks—not in a degree, however, to prevent them

from being favored properties, as investments, among Mexican capitalists. Pulque is a mild intoxicant, medicinal, and essentially a drink of the people, concerning the discovery of which there are different romantic Aztec traditions.

Tequila, the other liquor referred to above, is obtained, by distillation, from different parts of the maguey.

It is not my purpose to deal with agricultural technicalities, but a word concerning the use of machinery on haciendas may be in place, if only in explanation of facts that sometimes have been misunderstood. Agricultural methods, of course, have not reached, in Mexico, the degree of perfection that they have attained in older countries; and there is every reason to suppose that the large acreage of rural properties, in that country, and the extreme roughness of its soil will be obstacles, in many instances, rather than incentives to advancement in the above sense. But the well-conducted haciendas are fully equipped with machinery. I do not mean to say by this, that we use all the modern implements that are successfully adopted here in agricultural pursuits, but that we do use the ones that present material advantages over the methods that they are intended to replace. Many of those mechanical devices are not adapted to our soil in some instances, or to our requirements in others; or, being otherwise desirable innovations, they can not successfully compete with peon labor. As an example, I may cite the case of two haciendas in the valley of Esperanza, where, after repeated experiments and mechanical modifications, the wheat drill proved to be inefficient as a substitute for hand sowing in combination with the "Egyptian plow," on account, be it said, of the nature of the soil and of other local conditions—and the good will of the establishments in question may not be doubted, for they did more than any other hacienda of their size and importance, in the State of Puebla, to abet the adoption of advanced methods in agriculture.

This industry, in Mexico, encounters one serious obstacle, the lack of surface water; but that obstacle can be removed, without difficulty, in view of the hydrographic conditions of the greater part of Mexican territory.

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